

Eau Claire Leader-Telegram May 27, 2010

## EDITORIAL

**The issue:** *The state's crackdown on abuse in the Wisconsin Shares program is expected to help save some \$45 million.*

**Our view:** *This shows why government officials at all levels need to verify applications for taxpayers' money.*

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# State officials have nothing to boast about

**I**t was hard not to chuckle a little when reading a news release sent last week by state Sen. Bob Jauch, D-Poplar, congratulating the state Legislature for making “some very important decisions” that helped the Wisconsin Shares program show a \$45 million surplus.

Wisconsin Shares is a \$350 million-a-year, tax-funded program that subsidizes child care for the working poor.

The reason for the chuckle is what Jauch's news release didn't say. The reason the Legislature and other state officials got off their duffs and looked into Wisconsin Shares is because the Milwaukee Journal Sentinel, led by reporter Racquel Rutledge, exposed a number of instances of parents and providers teaming up to bilk the program. A lack of government oversight enabled them to get away with it.

Federal, state and local authorities formed a child-care anti-fraud task force last fall, according to the Journal Sentinel, and as a result, “a handful of people have been criminally charged, and as many as 75 criminal investigations are under way statewide.”

Instead of Jauch and others congratulating themselves for “difficult decisions we have made,” they should congratulate the Journal Sentinel for its Pulitzer Prize-winning effort that exposed the widespread theft from taxpayers. Further, they should be admonished for needing Rutledge to do their investigating for them.

The usual excuse when such widespread theft is exposed is that government lacks the “resources” to crack down on abusers. But it's funny how fast those resources became available after the Journal Sentinel's series of stories began to appear. Rutledge staked out suspect day care providers, knocked on doors, interviewed those she suspected were bilking the system and researched numerous public records.

Government workers shouldn't have needed Rutledge to paint them a picture. Or is it because taxes are considered “easy money,” and that those overseeing the program have no personal stake in whether the funds are truly deserved or not?

People who defraud public anti-poverty programs hurt everyone. They especially hurt the poor parents and children the programs are designed to help by depleting funds and eroding public support for all such programs. They obviously hurt the taxpayers, and they hurt all public employees by painting them as indifferent or lazy for not catching the lawbreakers.

We can only hope most people who get food stamps, child care subsidies, etc., are honest and hardworking but need a helping hand. Most of us want to help such people improve their situations hopefully to the point at which they no longer need public aid. But the public also tires of reading about scammers, and they expect those who administer the programs to protect the public's money.

We always hear how much money we could save in various public programs if “fraud and abuse” were eliminated. This situation is a perfect example that fraud and abuse do exist and can be stopped if those we hire to run such programs treat each tax dollar as if it's their own.

— Don Huebscher, editor

Racine Journal Times May 26, 2010

# Welfare fraud culture continues in Wisconsin

STATE REP. ROBIN VOS  
*R-Caledonia*

Since the Wisconsin Shares scandal broke last year, one of the stipulations carried out by the Department of Children and Families is a monthly report to the Legislature detailing the progress made in combating fraud in the state's child care program. While things seem to have improved some, there are many indications that fraud is still alive and well in many of Wisconsin's public benefits programs.

Last week's report showed that in April, another eight day care providers were suspended from the Wisconsin Shares Program. The cumulative number of suspended providers now surpasses 140. In total, overpayments made by the state exceed \$3.3 million; \$440,433 of those payments occurred in April. Clearly, this program is still bleeding excessive amounts of

money to fraudulent providers.

What's worse, the recovery efforts seem to be negligible. Last month, DCF spent \$156,300 on fraud prevention and investigation. It spent another \$31,800 to recover overpayments. Their efforts yielded a mere \$119,317 in recoveries.



Vos

Though there have been recent news stories pitched by Democrats to claim there has been a \$45 million savings in the program, that savings has only been driven by recessionary trends, not policies they have implemented. Costs will rise as soon as unemployment rates drop.

These tepid results are just another indication of a disease inside government that causes officials and bureaucrats to turn a blind eye and even foster some of the fraudulent activity. I was shocked at the end of the legislative session when Rep. Tamara Grigsby, D-

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Milwaukee, introduced a bill to actually loosen some of the child care licensure requirements.

Grigsby's bill, which was introduced last month but not passed, made it easier for criminals who had been convicted of a serious property crime, background check violation or public assistance fraud to get a child care license or work for a child care provider. The bill attempted to repeal the permanent bar on licensure and instead instituted a five-year prohibition after conviction. This just makes it easier for criminals to once again become child care providers and clearly illustrates the want by some to let fraud in these programs continue.

Another illustration of the prevalent welfare fraud culture presented itself in a recent Wisconsin Policy Research Institute report about the state's food stamp program, known as FoodShare. The report

claims that Wisconsin has more than doubled its FoodShare rolls since 2003. This is due in part to a bad economy and in part to much looser eligibility rules. Currently, 700,000 people in Wisconsin now benefit from food stamps at a cost to the taxpayers of \$800 million a year.

While the author of the report can't know for sure, he alleges that food stamp fraud is also probably costing the taxpayers a lot of money. He recounts stories of people in jail giving their FoodShare cards to people on the outside to use, others selling them to store owners for cash, while others trade them for drugs.

And just like the WisconsinShares program before the crackdown, Wisconsin's fraud investigation of the FoodShare program lags in comparison to other states. In 2007, Michigan and Minnesota performed at least 85 percent more investigations. Prosecutions are dismal, as well. In 2007, Wisconsin prosecuted 20

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## Racine Journal Times May 26, 2010

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people, Minnesota more than 1,000 and Michigan 2,400.

However, there is reason to hope after reading the article on the food stamp fraud crackdown being conducted in Racine County. County Executive William McReynolds and District Attorney Mike Nieskes are shining examples of government officials getting tough on welfare fraud. I hope other counties will follow their lead.

Finally, if you need any more evidence that Wisconsin has an embedded culture of welfare fraud, you need not look any further than the story last week reporting that the Government Accountability Office has found rampant fraud in the Head Start program.

In undercover audits done by the GAO, two Wisconsin Head Start programs were found falsifying income information. Workers, in an effort to protect their jobs, boosted enrollment numbers by allowing families with much

higher-than-eligible incomes into the \$9 billion per year program. In some cases, middle-class families were labeled as homeless. In more than half the cases, Head Start employees encouraged families to misrepresent their income or make claims that one parent was unemployed. In its 45 years of existence, this program has cost taxpayers \$167 billion. It's not hard to believe that the fraud found by the GAO is just the tip of the iceberg.

There is nothing that makes me more agitated than watching millions in public assistance funding being stolen from the taxpayers. It's why I've worked tirelessly with legislators on the other side of the aisle, with County Executive McReynolds and with the front-line workers in Racine County to come up with a better solution. I will continue to do so until bureaucrats and workers realize the taxpayers are watching and the culture of welfare fraud in Wisconsin is unacceptable.

## La Crosse Tribune May 28, 2010

## OUR VIEW

## A law to address one lawmaker's pet peeve?

Madison is a liberal island in a much more moderate state, but not to fear: Wisconsin Assembly Rep. Steve Nass has a good nose for socialist plots.

So when he discovered that "liberal extremists in Madison who hate cars and think everyone should bike to work" had installed a few pavement markers designed to minimize conflicts between motorists and bicyclists at intersections, he decided there outta be a law.

He said last week he plans to introduce legislation next year banning the "bike boxes."

Nass complains traffic rules and their enforcement are biased against motorists in favor of scofflaw bicyclists, who glibly disobey traffic rules while motorists face fines when they trespass the rules of the road.

Actually there's a kernel of truth in the Whitewater Republican's perspective: Many bicyclists take an every-vehicle-for-itself approach precisely because motorists are so inept at sharing the road. So bicyclists go rogue — with some justification — fearful of putting their lives in the hands of oblivious motorists who refuse to share the road as the law requires.

It seems that an experiment designed to lower the level of conflict between motorists and

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bicyclists, conducted at the community level, would be a good thing.

The real issue here is Nass' bizarre idea that cities and villages and towns in Wisconsin should be allowed to govern themselves only when they institute policies he agrees with.

That doesn't sound like letting the people decide.

If Nass finds driving in Madison so onerous, there's a much more elegant solution to the problem than introducing legislation: He could spend less time driving in Madison.

Or maybe tool about on a bicycle, seeing as he seems to think bicyclists have carte blanche in the state capital.